

House File 2509 - Introduced

HOUSE FILE 2509

BY FORD

A BILL FOR

1 An Act relating to the utilization of minority-owned and
2 female-owned businesses for certain public work related
3 to the issuance of bonds and obligations and activities
4 of certain retirement systems and requiring the treasurer
5 of state to maintain a list of certain minority-owned and
6 female-owned businesses.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 12.29 Minority-owned and
2 female-owned businesses — list.

3 1. a. The treasurer shall maintain a list of minority-owned
4 and female-owned businesses, as defined in section 73.14,
5 subsection 2, which have requested to be notified of requests
6 for proposal. The list shall include attorneys, accountants,
7 financial advisors, banks, underwriters, insurers, and other
8 occupations necessary to carry out the issuance of bonds or
9 other obligations, whether or not such businesses are located
10 in the state.

11 b. A business may file a request with the treasurer for
12 inclusion on the list. The treasurer shall prescribe a form
13 for such businesses to request inclusion on the list.

14 2. The list maintained under this section shall be available
15 on the treasurer's internet site and available in paper form
16 upon request.

17 3. The treasurer shall adopt rules under chapter 17A to
18 implement this section.

19 Sec. 2. Section 12.30, subsection 2, paragraph a, Code
20 Supplement 2009, is amended to read as follows:

21 a. Select and fix the compensation for, in consultation
22 with the respective authority, through a competitive selection
23 procedure, attorneys, accountants, financial advisors,
24 banks, underwriters, insurers, and other employees and
25 agents which in the treasurer's judgment are necessary to
26 carry out the authority's intention. Prior to the initial
27 selection, the treasurer shall, after consultation with
28 the authorities, establish a procedure which provides for a
29 fair and open selection process including, but not limited
30 to, the opportunity to present written proposals and personal
31 interviews. The treasurer shall maintain a list of firms
32 which have requested to be notified of requests for proposal,
33 including those businesses identified on the list maintained
34 under section 12.29. The selection criteria shall take into
35 consideration, but are not limited to, compensation, expenses,

1 experience with similar issues, scheduling, ability to provide
2 the services of individuals with specific knowledge in the
3 relevant subject matter and length of the engagement. The
4 selection criteria shall also include a good-faith effort to
5 utilize minority-owned and female-owned businesses, consistent
6 with the requirements of section 73.14. The treasurer may
7 waive the requirements for a competitive selection procedure
8 for any specific employment upon written notice to the
9 executive council stating why the waiver is in the public
10 interest. Upon selection by the treasurer, the authority shall
11 promptly employ the individual or firm and be responsible for
12 payment of costs.

13 Sec. 3. NEW SECTION. 73.14 **Minority-owned and female-owned**
14 **businesses — bond issuance services.**

15 1. The state, board of regents institutions, counties,
16 townships, school districts, community colleges, cities, and
17 other public entities, and every person acting as contracting
18 agent for any such entity, shall, when issuing bonds or other
19 obligations, make a good-faith effort to utilize minority-owned
20 and female-owned businesses for attorneys, accountants,
21 financial advisors, banks, underwriters, insurers, and other
22 occupations necessary to carry out the issuance of bonds or
23 other obligations by the entity, whether or not such businesses
24 are located in the state.

25 2. For purposes of this section:

26 a. "*Female-owned business*" means a business that is
27 fifty-one percent or more owned, operated, and actively managed
28 by one or more women.

29 b. "*Minority-owned business*" means a business that is
30 fifty-one percent or more owned, operated, and actively managed
31 by one or more minority persons.

32 Sec. 4. Section 97A.5, Code 2009, is amended by adding the
33 following new subsection:

34 NEW SUBSECTION. 9A. *Outside advisors and services.* The
35 board shall, when employing outside advisors or services,

1 make a good-faith effort to utilize minority-owned and
2 female-owned businesses, as those terms are defined in section
3 73.14, subsection 2, including but not limited to attorneys,
4 accountants, financial advisors, banks, brokerage or investment
5 advisors, underwriters, insurers, and other occupations
6 necessary to carry out the duties of the board, whether or not
7 such businesses are located in the state.

8 Sec. 5. Section 97B.4, subsection 3, Code 2009, is amended
9 by adding the following new paragraph:

10 NEW PARAGRAPH. *g. Minority-owned and female-owned*
11 *businesses.* The system shall, when employing legal advisors and
12 outside advisors under paragraphs "e" and "f", make a good-faith
13 effort to utilize minority-owned and female-owned businesses,
14 as those terms are defined in section 73.14, subsection 2, when
15 carrying out the duties of the system, whether or not such
16 businesses are located in the state.

17 Sec. 6. Section 97D.4, subsection 3, Code 2009, is amended
18 by adding the following new paragraph:

19 NEW PARAGRAPH. *Og.* Study and review proposals to increase
20 the utilization of minority-owned and female-owned businesses,
21 as those terms are defined in section 73.14, subsection 2, by
22 public retirement systems when carrying out the duties of such
23 systems, whether or not such businesses are located in the
24 state.

25 Sec. 7. Section 411.5, Code 2009, is amended by adding the
26 following new subsection:

27 NEW SUBSECTION. *4A. Outside advisors and services.* The
28 board shall, when employing outside advisors or services,
29 make a good-faith effort to utilize minority-owned and
30 female-owned businesses, as those terms are defined in section
31 73.14, subsection 2, including but not limited to attorneys,
32 accountants, financial advisors, banks, brokerage or investment
33 advisors, underwriters, insurers, and other occupations
34 necessary to carry out the duties of the board, whether or not
35 such businesses are located in the state.

1 on the treasurer's internet site and available in paper form
2 upon request.

3 The bill imposes a good-faith effort requirement on the
4 public retirement systems under Code chapters 97A, 97B, 411,
5 and 602 to utilize minority-owned and female-owned businesses,
6 when carrying out the duties of those systems or the duties of
7 the board or persons that administer those systems. The bill
8 also requires the public retirement systems committee, under
9 Code section 97D.4, to study and review proposals to increase
10 the utilization of minority-owned and female-owned businesses
11 by public retirement systems, whether or not such businesses
12 are located in the state.